

Department of Social and Health Services

**DP Code/Title: PL-AX Interstate Compact-Placing Children**  
**Program Level - 010 Children's Administration**

Budget Period: 2007-09 Version: A1 010 - 2007-09 Agency Request Budget

**Recommendation Summary Text:**

This request is for \$3,836,000 and 23.2 FTEs for the 2007-2009 Biennium, beginning in July 2007 to comply with new federal requirements related to Interstate Compact for the Placement of Children (ICPC).

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	1,384,000	1,298,000	2,682,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	453,000	428,000	881,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	139,000	134,000	273,000
<b>Total Cost</b>	<b>1,976,000</b>	<b>1,860,000</b>	<b>3,836,000</b>

**Staffing**

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
<b>Agency FTEs</b>	<b>23.2</b>	<b>23.2</b>	<b>23.2</b>

**Package Description:**

Children's Administration is requesting \$1,976,000 and 23.2 FTEs in Fiscal Year 2008 and \$1,860,000 and 23.2 FTEs in Fiscal Year 2009 to comply with new federal requirements related to Interstate Compact for the Placement of Children (ICPC).

The new federal requirements of the Safe and Timely Interstate Placement of Foster Children Act of 2006 (HR 5403) require:

- ICPC home studies are completed within 60 days from the date the request is received from the sending state. The statute does not identify any penalties for not meeting the requirement, however it is likely that Title IVE and Title IVB funding will be affected.
- New tracking requirements (database implementation), and new reporting requirements. The new requirements are much more extensive than what is currently reported in monthly downloads from Case Management and Information System (CAMIS). CAMIS does not currently capture all required information.

The implementation date for these new requirements is October 1, 2006, with rules to be developed by the Department of Health and Human Services (HHS) within 12 months. The plan for implementation is to train new ICPC staff and the regions as soon as possible, with a contact person in each region to ensure timelines are met.

Currently, the ICPC Program staff of two FTEs is understaffed to handle the existing workload of approximately 2,000 requests for home studies per year. The average time to complete an ICPC home study is nearly 90 days. The new federal mandates will create a significant workload increase and deadlines that will be impossible to meet without additional resources. To meet these deadlines, CA needs 3.0 additional program staff FTEs at a biennial cost of \$468,000 to assist program managers with compliance with the new ICPC regulations.

The new federal mandates require ICPC home studies to be completed within 60 days from the date the request is received from the sending state. To comply with this requirement, CA needs additional staff to perform the home studies. CA's ICPC Program completes approximately 910 requests for home studies per year from other states. Approximately 7.6% of these requests are for adoptive home studies and the remaining 92.4% are for relative or other foster care. In order to complete these requests within 60 days from the date the request is received, CA requires 15.4 additional social worker 3s. To maintain the supervisor ratio of 8:1, 1.9 FTEs (supervisory social worker 4) are required and 2.9 FTEs (clerical support staff) to maintain the 6:1 clerical ratio. The cost of these additional 20.2 FTEs for the biennium is \$3,368,000.

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**Narrative Justification and Impact Statement**

*How contributes to strategic plan:*

The proposals included in this decision package support the strategies and objectives for the following goals included in CA's Strategic Plan:

Permanency

Goal: Provide stable, nurturing, and permanent placements as quickly as possible for children who are placed into out-of-home care.

Supporting Client Outcomes

Goal: Continuously improve the organization's capacity to achieve excellent outcomes for children and families.

Child and Family Well-Being

Goal: Help families and communities improve the well-being of children in their own homes and in out-of-home care.

This decision package supports the Priorities of Government (POG) goal to "Improve the Security of Washington's Vulnerable Children and Adults" and CA's goals under Government Management Accountability and Performance Reporting (GMAP) of Permanency for Children, Child and Family Well Being and Supporting Client Outcomes.

This decision package affects the following activities: Adoption Services and Support (A004), Child Protective Services (A009), Child Welfare Services (A012), and Family Reconciliation Services (A033).

***Performance Measure Detail***

**Agency Level**

**Activity: A004 Adoption Services and Support**

**Outcome Measures**

1114 Number of children adopted into a permanent adoptive home

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>

0.00	0.00
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**Activity: A009 Child Protective Services (CPS)**

**Output Measures**

1111 Number of CPS, CWS and FRS referrals received.

1112 Number of child abuse/neglect referrals accepted for investigation.

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>

0.00	0.00
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0.00	0.00
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**Activity: A012 Child Welfare Services (CWS)**

**Output Measures**

1111 Number of CPS, CWS and FRS referrals received.

1112 Number of child abuse/neglect referrals accepted for investigation.

1113 Percentage of foster children placed with extended family members.

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>

0.00	0.00
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0.00	0.00
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0.00%	0.00%
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**Activity: A033 Family Reconciliation Services (FRS)**

**Output Measures**

1111 Number of CPS, CWS and FRS referrals received.

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>

0.00	0.00
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***Reason for change:***

In order to more accurately and consistently track ICPC activities and timelines, and to meet the newly mandated federal

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requirements under H.R. 5403, the ICPC unit needs additional staff. The implementation date is October 1, 2006.

***Impact on clients and services:***

Additional staff will enable the ICPC program to track data, timelines, and home studies, and provide ongoing training and support in the regions. Currently, ICPC staff of two FTEs is responsible for program management and all clerical functions of the program.

H.R. 5403 provides that home studies completed within 30 days are eligible for a \$1,500 incentive from the federal government, up to a total of \$10 million to be shared among all the states. The \$1,500 incentive per home study will be offered through 2010.

H.R. 5403 does not specifically identify penalties for not meeting the requirement, however our attorney believes that it is likely that after rule making, Title IVE and Title IVB funding will be affected. The affect will not be known until DHHS develops the rules for the legislation. The new legislation will go into effect before the rules are written.

***Impact on other state programs:***

None

***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

There are no WAC or Statutory changes required at this time, however federal rule making may require statutory or rule modification at the state level.

***Alternatives explored by agency:***

Current staffing is inadequate to meet the additional demands and failure to meet the designated timelines will result in significant federal penalties after the rule making process is complete.

The new federal regulations do allow for contracting out of ICPC home studies. However, further exploration of this option would require discussion with the Governor's office and state labor relations staff to determine if contracting is possible under the current labor contract. These regulations have just been disseminated to states so CA has not had adequate time to explore all options.

***Budget impacts in future biennia:***

The costs will be included in carry forward level in future biennia.

***Distinction between one-time and ongoing costs:***

Startup equipment costs for new staff are one-time costs. All other costs are ongoing.

***Effects of non-funding:***

The effect of non-funding includes not only the potential for a significant financial penalty via Title IV-E ineligibility, but more importantly, the delays in processing ICPC requests and home studies means literally thousands of children, both in Washington and throughout the country are deprived of a chance for a safe, secure and permanent placement. They will remain unnecessarily in foster or group care until we are able to complete the required processing.

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**Expenditure Calculations and Assumptions:**

See attached CA PL-AX Interstate Compact-Placing Children.xls.

The federal Deficit Reduction Act, passed in February 2006, created new limitations for Targeted Case Management (TCM) which were effective January 1, 2006. Federal rules have not been published so the precise effect of the new law is not clear. This proposal assumes that CA will be able to claim TCM funds in the 2007-09 Biennium, but if that is not the case CA will require GF-State where TCM is assumed.

<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>				
A	Salaries And Wages	1,094,000	1,096,000	2,190,000
B	Employee Benefits	320,000	341,000	661,000
E	Goods And Services	277,000	278,000	555,000
G	Travel	77,000	77,000	154,000
J	Capital Outlays	186,000	46,000	232,000
T	Intra-Agency Reimbursements	22,000	22,000	44,000
<b>Total Objects</b>		<b>1,976,000</b>	<b>1,860,000</b>	<b>3,836,000</b>
 <b>DSHS Source Code Detail</b>				
<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<b><u>Sources Title</u></b>				
0011	General Fund State	1,384,000	1,298,000	2,682,000
<b>Total for Fund 001-1</b>		<b>1,384,000</b>	<b>1,298,000</b>	<b>2,682,000</b>
 <b>Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi</b>				
<b><u>Sources Title</u></b>				
658L	Title IV-E-Foster Care (50%)	453,000	428,000	881,000
<b>Total for Fund 001-A</b>		<b>453,000</b>	<b>428,000</b>	<b>881,000</b>
 <b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<b><u>Sources Title</u></b>				
19TA	Title XIX Assistance (FMAP)	139,000	134,000	273,000
<b>Total for Fund 001-C</b>		<b>139,000</b>	<b>134,000</b>	<b>273,000</b>
<b>Total Overall Funding</b>		<b>1,976,000</b>	<b>1,860,000</b>	<b>3,836,000</b>

**2007-09 Biennium**  
**PL-AX Interstate Compact-Placing Children**

	FY 2008		FY 2009		Total	
	<i>FTEs</i>	Funding	<i>FTEs</i>	Funding	<i>FTEs</i>	Funding
Program Staff	3.0	243,000	3.0	225,000	3.0	468,000
Home Studies	20.2	1,733,000	20.2	1,635,000	20.2	3,368,000
Total	<b>23.2</b>	<b>1,976,000</b>	<b>23.2</b>	<b>1,860,000</b>	<b>23.2</b>	<b>3,836,000</b>

**2007-09 Biennium**  
**PL-AX Interstate Compact-Placing Children**

*Assumptions:*

- \* CA currently has two (2) ICPC program managers to manage all CA ICPC
- \* CA assumes two SW2 level FTEs to assist program managers to comply with the new ICPC regulations
- \* CA assumes 1 staff support FTE to assist program managers and SW2's

	FY 2008		FY 2009		Total		
	SW 2	Sec Sr	SW 2	Sec Sr	SW 2	Sec Sr	total
Object							
FTEs	2.0	1.0	2.0	1.0	2.0	1.0	3.0
A	96,000	33,000	96,000	33,000	192,000	66,000	258,000
B	30,000	13,000	30,000	13,000	60,000	26,000	86,000
E	24,000	12,000	24,000	12,000	48,000	24,000	72,000
G	8,000	-	8,000	-	16,000	-	16,000
J	16,000	8,000	4,000	2,000	20,000	10,000	30,000
T	2,000	1,000	2,000	1,000	4,000	2,000	6,000
<b>TOTAL</b>	<b>176,000</b>	<b>67,000</b>	<b>164,000</b>	<b>61,000</b>	<b>340,000</b>	<b>128,000</b>	<b>468,000</b>
	<b>243,000</b>		<b>225,000</b>		<b>468,000</b>		

Source of Funds

GF-S	123,200	46,900	114,800	42,700	238,000	89,600	327,600
T IV-E	40,480	15,410	37,720	14,030	78,200	29,440	107,640
T XIX	12,320	4,690	11,480	4,270	23,800	8,960	32,760
	<b>176,000</b>	<b>67,000</b>	<b>164,000</b>	<b>61,000</b>	<b>340,000</b>	<b>128,000</b>	<b>468,000</b>
	<b>243,000</b>		<b>225,000</b>		<b>468,000</b>		

**2007-09 Biennium**  
**PL-AX Interstate Compact-Placing Children**

Assumptions:

- \* CA ICPC completes approximately 910 requests for home studies per year from other states; 688 parents and relative home studies and 222 licensing requests; Approx 7.6% are for adoption home studies
- \* It is estimated to take between 22 and 27 hours to complete a unified adoption/licensing home study; for purposes of this calculation, we used an average of 25 hours
- \* Social worker 3 to supervisor ratio 8:1; SW3/Supervisor to clerical ratio 6:1

Type of Home Study	Number of Home Studies per year	Average Hours to complete Home Study	Staff Hours to complete Homes Studies per year	Available Licensing SW hours per year	Number of SW required to complete Home Studies
Relatives and parents	688	25	17,200	1,481.4	11.6
Foster home license	222	25	5,550	1,481.4	3.7
<b>Total</b>	<b>910</b>	<b>25</b>	<b>22,750</b>	<b>1,481.4</b>	<b>15.4</b>

<b>Social Worker 3</b>	<b>15.4</b>
<b>Sup (SW 4)</b>	<b>1.9</b>
<b>Office Asst 3</b>	<b>2.9</b>
<b>Total FTEs Required:</b>	<b>20.2</b>

Object	/	FTEs	FY 2008	FY 2009	TOTAL
			20.2	20.2	20.2
A			965,000	965,000	1,930,000
B			276,000	299,000	575,000
E			161,000	161,000	322,000
ED			81,000	81,000	162,000
G			69,000	69,000	138,000
J			161,000	40,000	201,000
TZ			20,000	20,000	40,000
			<b>1,733,000</b>	<b>1,635,000</b>	<b>3,368,000</b>

Source of Funds:

GF-S	1,213,100	1,144,500	2,357,600
TIV-E	398,590	376,050	774,640
TXIX	121,310	114,450	235,760
	<b>1,733,000</b>	<b>1,635,000</b>	<b>3,368,000</b>